

SENATE BILL No. 14

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-18-2; IC 14-23-3-3; IC 15-1.5.

Synopsis: Elimination of state property tax levies. Eliminates the statewide ad valorem property taxes imposed for the state forestry fund, the state fair, and the department of local government finance data base management.

Effective: July 1, 2008.

Boots

November 20, 2007, read first time and referred to Committee on Appropriations.

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Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

SENATE BILL No. 14

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-18-2, AS AMENDED BY P.L.224-2007,
2 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2008]: Sec. 2. **(a) Before January 1, 2010**, the state may not
4 impose a **combined ad valorem property** tax rate on tangible property
5 in excess of thirty-three hundredths of one cent (~~\$0.0033~~) on each one
6 hundred dollars (~~\$100~~) of assessed valuation: **that exceeds the sum of**
7 **the ad valorem property tax rates permitted under IC 4-9.1-1-8,**
8 **IC 14-23-3-3, and IC 15-1.5-7-3.** The state tax rate is not subject to
9 review by county boards of tax adjustment (before January 1, 2009),
10 county boards of tax and capital projects review (after December 31,
11 2008), or county auditors.

12 **(b) Except as permitted under IC 4-9.1-1-8 to repay notes issued**
13 **to meet casual deficits in state revenue, the state may not impose an**
14 **ad valorem property tax rate on tangible property after December**
15 **31, 2009.**

16 **(c) This section does not apply to political subdivisions of the state.**
17 SECTION 2. IC 14-23-3-3 IS AMENDED TO READ AS



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FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. ~~Annually~~ **(a) Before January 1, 2010**, there shall ~~annually~~ be levied, ~~and collected~~ as other ~~state ad valorem property~~ taxes are levied, ~~and collected~~ the amount of sixteen hundredths of one cent (\$0.0016) upon each one hundred dollars (\$100) worth of taxable property in Indiana. **An ad valorem property tax may not be levied under this section for property taxes first due and payable after December 31, 2009.**

(b) The ad valorem property tax imposed under this section shall be collected as other ad valorem property taxes are collected. The county in which the property tax is levied shall transfer the amounts collected from the levy to the treasurer of state for deposit in the fund.

(c) The money collected resulting from one hundred fifty-seven thousandths of one cent (\$0.00157) of the rate shall be paid into the fund. The money collected resulting from three thousandths of one cent (\$0.00003) is appropriated to the budget agency for purposes of department of local government finance data base management.

(d) This section expires January 1, 2010.

SECTION 3. IC 15-1.5-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) The fund consists of the following:

(1) Revenue from the property tax imposed under IC 15-1.5-8 **before January 1, 2010.**

(2) Appropriations made by the general assembly.

(3) Interest accruing from investment of money in the fund.

(4) Certain proceeds from the operation of the fair.

(b) The fund is divided into the following accounts:

(1) Agricultural fair revolving contingency account.

(2) Other accounts established by the commission.

(c) The money credited to the agricultural fair revolving contingency account may only be used to pay start-up expenses for the fair each year. Money used to pay the start-up expenses from the account shall be replaced using proceeds from the operation of the fair before the proceeds may be used for any other purpose.

SECTION 4. IC 15-1.5-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. A tax is imposed upon all the taxable property in the state at a rate of eight hundredths of a cent (\$0.0008) for each one hundred dollars (\$100) of assessed valuation **for property taxes first due and payable before January 1, 2010. The state may not impose an ad valorem property tax under this section for property taxes first due and payable after December 31, 2009.**

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1 SECTION 5. IC 15-1.5-8-5 IS ADDED TO THE INDIANA CODE
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2008]: **Sec. 5. This chapter expires January 1, 2010.**

4 SECTION 6. [EFFECTIVE JULY 1, 2008] **IC 1-1-5-1 applies to**
5 **the expiration of IC 14-23-3-3 and IC 15-1.5-8, both as amended by**
6 **this act. Liability and penalties for delinquent tax payments for a**
7 **property tax imposed under IC 14-23-3-3 or IC 15-1.5-8 before**
8 **January 1, 2010, are not extinguished as a result of the expiration**
9 **of these provisions under this act. Delinquent property taxes**
10 **collected after December 31, 2009, from a property tax imposed**
11 **under IC 14-23-3-3 or IC 15-1.5-8 before January 1, 2010, shall be**
12 **deposited and used after December 31, 2009, as provided in**
13 **IC 14-23-3-3 or IC 15-1.5-8, both as effective December 30, 2009.**

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